

U.S. Department of Veterans Affairs



VA Home Loans

1

VA Home Loan Basics – Introduction To The VA Loan Program





Cleveland Regional Loan Center (RLC) – Points of Contact

Cleveland RLC Telephone Numbers:

(800) 729-5772, option 4 – Loan Production

(800) 729-5772, option 2 – Appraisals

Cleveland RLC E-mail Addresses:

vahomesite@va.gov - Loan Production

325cnv@vba.va.gov - Appraisals

Websites:

www.vba.va.gov/cleveland-rlc.htm - Cleveland RLC

<http://www.benefits.va.gov/homeloans/> - National

VA Home Loans

3




ListServe Automatic VA E-mail Updates

Lenders can obtain automatic updates regarding changes to the VA home loan program by signing up for this feature at:

http://mailman.listserve.com/listmanager/listinfo/cleveland_regional_loan_center

VA Home Loans

7



VA Lenders Handbook

VA Pamphlet 26-7, Lenders Handbook can be downloaded at:

http://www.benefits.va.gov/warms/pam26_7.asp

VA Home Loans

8

Web Automated Reference Material System (WARMS)

Lenders Handbook - VA Pamphlet 26-7

Index

[Table of Contents](#)

[Current Issues](#)

[Chapter 1 - The Lender](#)

[Chapter 2 - Veterans Eligibility and Entitlement](#)

[Chapter 3 - The VA Loan and Guaranty](#)

[Chapter 4 - Credit Underwriting](#)

[Chapter 5 - How to Process VA Loans](#)

[Chapter 6 - Refinancing Loans](#)

[Chapter 7 - Loans Requiring Special Underwriting, Guaranty and Other Considerations](#)

[Chapter 8 - Borrower Fees and Charges and the VA Funding Fee](#)

[Chapter 9 - Legal Instruments, Liens, Escrows and Related Issues](#)

[Chapter 10 - Property Eligibility and Appraisal Requests](#)

[Chapter 11 - Appraiser Requirements](#)

[Chapter 12 - Minimum Property Requirements](#)

[Chapter 13 - Value Notices](#)

[Chapter 14 - Construction Inspections](#)

[Chapter 15 - Lender Appraisal Processing Program](#)

[Chapter 16 - Common Interest Communities, Condominiums and Planned Unit Development](#)

[Chapter 17 - VA Sanctions Against Program Participants](#)

[Chapter 18 - Servicer Appraisal Processing Program \(SAPP\)](#)

[Appendix A - Listing of VA Offices](#)

Changes

[WARMS Home](#)

[NEW Updates](#)

[Take 5540](#)

[Important Links](#)

[Search](#)

[Archives](#)

[VA Forms](#)

[WARMS Contact](#)

[Federal Benefits Book](#)

VA Regional Loan Centers

- Atlanta, GA
- Cleveland, OH
- Denver, CO
- Houston, TX
- Phoenix, AZ
- Roanoke, VA
- St. Paul, MN
- St. Petersburg, FL

- Honolulu, HI – Regional Office

VA Home Loans

10

VA Regional Loan Centers

11


Cleveland VA Regional Loan Center

- Connecticut
- Delaware
- Indiana
- Maine
- Massachusetts
- Michigan
- New Hampshire
- New Jersey
- New York
- Pennsylvania
- Ohio
- Rhode Island
- Vermont

- The Cleveland RLC took over all operations from the Manchester RLC effective April 1, 2011
- Cleveland RLC now represents approximately 14% of all VA loan volume nationwide
- Cleveland RLC FY 2011 volume = 53,055 loans totaling \$10.5 billion
- Nationwide FY 2011 volume = 369,326 loans totaling \$77 billion

VA Home Loans

12



Primary Benefits of a VA Home Loan

- 100% financing up to the Federal Housing Finance Agency (FHFA) annual conforming loan limits, as adjusted by county
- 100% cash-out refinance up to FHFA's conforming loan limits
- Streamline VA to VA Interest Rate Reduction Refinance Loans (IRRRL's)
- VA requires no bottom line credit score
- Fully assumable by any qualified person (does not have to be a veteran)
- No monthly mortgage insurance premiums
- VA funding fee can be added to 100% financing
- No pre-payment penalty
- Fixed and adjustable rate mortgages
- Seller can assist with standard closing costs
- Energy efficient improvements can be added to 100% financing on any VA loan product

VA Home Loans
13




Where To Market VA Home Loan Product

- Local real estate publications (Harmon Homes, Realtor books, real estate section of newspaper, etc.)
- Veteran military bases
- Veteran organizations (VFW, American Legion, Marines Corps League, etc.)
- Veteran's friends and family referrals
- VA has never provided mailing lists of veterans to anyone
- Bottom line: you may have to spend money to make money



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14



How Does The VA Guaranty Work?

- Guaranty is not down payment assistance
- Guaranty is not closing cost assistance
- No money is given to the veteran
- It is a financial commitment to pay a mortgage servicer a certain sum of money if the veteran defaults on the VA loan
- In most cases the VA will pay the servicer 2 checks once the property has been liquidated:

The net appraised value of the home
(thereby taking back the property as an REO)

+

The maximum guaranty amount

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15

Occupancy

- Veteran must certify that they intend to occupy the home as their principal residence
- Occupancy must be within 60 days of the closing date
- If individual is not married and is on active duty, they must occupy within 12 months
- Spouse can usually satisfy occupancy
- Intermittent occupancy by single veterans is typically not acceptable
- Family members, friends and relatives cannot satisfy occupancy on behalf of the veteran

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16

VA Entitlement

- Every veteran initially receives sufficient entitlement to adequately cover the guaranty up to FHFA's conforming loan limits
- Entitlement is broken down into 2 parts:
 - Basic entitlement:** covering the first \$144,000 of the VA loan amount
 - +
 - Bonus entitlement:** covering the remaining loan amount from \$144,001 up to FHFA's conforming loan limit

VA Home Loans

17

VA Entitlement

- Effective October 1, 2008 VA passed legislation that will result in VA maximum loan amounts being adjusted annually as set by FHFA
- Assuming the veteran has sufficient entitlement, the VA guaranty will provide at least a 25% guaranty up to the FHFA conforming loan limit
- FHFA standard conforming loan limit for 2012 = \$417,000 (most counties across USA)
- FHFA maximum conforming loan limit for 2012 = \$625,500 (i.e. Nantucket County)
- 25% guaranty is required by secondary market investors (GNMA, FNMA, FHLMC and private investors)

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18

Where Can You Find VA Maximum Loan Amounts?

Lenders can view VA's maximum loan amounts at:

http://www.benefits.va.gov/HOMELOANS/docs/Loan_Limits_2012_Dec_2011.pdf

* It is important to note that effective October 1, 2011 maximum VA loan amounts will change on October 1st every year moving forward

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19

Where Can You Find VA Maximum Loan Amounts?

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19


How Can You Tell if a Veteran Has Adequate Entitlement?

General Rule for maximum VA loan amount:

Remaining Entitlement x 4

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20




How To Calculate Bonus Entitlement

\$417,000 maximum conforming loan limit
 x 25% required guaranty for secondary market
 \$104,250 maximum \$ amount of guaranty
 - 36,000 basic entitlement
 \$ 68,250 bonus entitlement for 2012 (most counties)

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22




How To Calculate Bonus Entitlement

\$625,500 maximum conforming loan limit (Nantucket)
 x 25% required guaranty for secondary market
 \$ 156,375 maximum \$ amount of guaranty
 - 36,000 basic entitlement
 \$ 120,375 bonus entitlement for 2012 (Nantucket)

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23



Entitlement Scenario – Partial Entitlement Remaining

If Buying a Home in a Standard Conforming Loan Limit County

- Veteran purchased a home in 1985 for \$80,000

\$ 36,000 basic entitlement
 - 32,000 amount previously used
 \$ 4,000 amount of basic remaining
- VA guaranteed \$32,000

+ 68,250 bonus entitlement
 \$ 72,250 total available entitlement
- VA's entitlement is still being used (veteran still owns, sold on assumption or home was liquidated)

\$ 4,000 x 4 = \$ 16,000 max VA loan using basic entitlement
 \$ 72,250 x 4 = \$ 289,000 max VA loan using remaining basic entitlement and bonus entitlement

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24

Entitlement Scenario – Partial Entitlement Remaining

If Buying a Home in Nantucket

- Veteran purchased a home in 1985 for \$80,000

\$ 36,000 basic entitlement
 - 32,000 amount previously used
 \$ 4,000 amount of basic remaining
- VA guaranteed \$32,000

+120,375 bonus entitlement
 \$124,375 total available entitlement
- VA's entitlement is still being used (veteran still owns, vet sold on assumption or home was liquidated)

\$ 4,000 x 4 = \$16,000 max VA loan using basic entitlement
 \$120,375 x 4 = \$497,500 max VA loan using remaining basic entitlement and bonus entitlement

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25

VA Entitlement Overview

<u>Basic Entitlement</u>	<u>Bonus Entitlement</u>
<ul style="list-style-type: none"> Can never exceed \$36,000 Only used for loans of \$144,000 or less Can be combined with bonus entitlement for purchases of \$144,001+ Once full \$36,000 has been used, and VA loan is still active (or was liquidated), veteran cannot purchase another home for \$144,000 or less 	<ul style="list-style-type: none"> Changes annually according to FHFA conforming loan limits, as adjusted by county Only kicks in for VA loans of \$144,001 or more Cannot be used for loan amounts of \$144,000 or less Can still be used even if veteran has \$0 in basic entitlement

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26

VA Entitlement + Down Payment / Equity

- GNMA will allow a combination of down payment or equity in the property + VA's guaranty to meet the 25% coverage requirement
- Lenders should check with their investor to ensure proper calculation and requirements

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27



VA Entitlement + Down Payment Example

- \$500,000 purchase price in a county where the maximum FHFA loan limit is \$417,000
- $\$500,000 - \$417,000 = \$83,000$ of uninsured loan
- $\$83,000 \times 25\%$ down payment = \$20,750
- 4.15% down payment meets GNMA guidelines to meet the 25% total coverage on the loan


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28




What is VA 's Maximum Loan Amount?

VA maximum loan amount is the lesser of the purchase price or appraised value, provided:

- The loan does not exceed FHFA's conforming loan limit (with funding fee and energy efficient improvements added)
- The veteran has sufficient entitlement to meet your investor requirements



VA Home Loans
29



Types of VA Loans

- Single family home (up to 4 attached units)
- Joint loans – veteran and a non-spouse co-obligor
- Townhouse or condominium in a VA approved development
- Construction of a new home, townhouse or condominium
- Cash-out refinance up to 100% of the FHFA conforming loan limit
- Interest Rate Reduction Refinance Loan (IRRRL)
- Simultaneous purchase and improvement of a home
- Purchase a farm residence
- Veteran can add energy efficient mortgage improvements to any VA loan product

VA Home Loans
30




VA Loan To Purchase a Home/Townhouse/Condo

- Veteran can purchase a home, townhouse, condo or manufactured home
- It must be titled as real estate and permanently affixed to a foundation
- If townhouse or condo it must be approved by VA
- Must meet VA's minimum property standards of safe, sanitary and sound
- No "fixer uppers"



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31




Joint Loans – Veteran and Non-Spouse Co-obligor

- Veteran can purchase a home with a friend, sibling, parent or any family member
- All co-obligors must qualify for their portion of the mortgage (credit, income stability,debt ratio,etc.)
- VA only guarantees the veteran's half of the loan, thereby resulting in a 12.5% guaranty to the lender
- GNMA, FNMA and FHLMC will not pool these loans
- Typical joint loan results in a portfolio serviced product. Only the larger servicers will purchase joint loans
- Joint loans must be sent to VA for underwriting in all cases

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32



Joint Loan – 2 or More Veterans

- Veterans do not have to be married
- More than 2 veterans can purchase
- All veterans must qualify for their portion of the mortgage (credit, income stability,debt ratio,etc.)
- Entitlement can be split amongst all veterans depending on how much they choose to split (assuming they have entitlement)
- If veterans are married, one veteran can "carry" the other in terms of qualifying
- 2 veterans can purchase a multi-unit property up to 6 attached units, 3 veterans can purchase up to 7 units, etc.)
- Loan must be sent to VA for underwriting in all cases

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33

New Construction / Proposed Construction

- Proposed construction requires blue prints and specification plans
- Automatic VA lenders can review specs and prints
- It must be a VA registered builder
- If proposed construction, VA must inspect at regular intervals
- If it is a new construction deal with a VA end loan, inspections performed by lender and/or municipality
- 1 year builder warranty required on all new construction
- Veteran can receive all earnest money back at closing
- Land equity or down payment can be used to reduce VA funding fee

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34

Cash-out Refinance

- Veteran must occupy the home
- VA considers paying off any non-VA loan, paying off a lien or taking cash out from an existing VA loan, a cash-out refinance
- Maximum loan is based on 100% of the VA appraised value + VA funding fee + energy efficient improvements
- Maximum loan is based on FHFA conforming loan limits
- Veteran must have at least a \$1 lien against the property (this means that a house that is completely paid off cannot obtain a VA cash-out refinance)
- VA cash-out refinance is a full document loan that requires an appraisal, credit package, etc.

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35

Interest Rate Reduction Refinance Loan (IRRRL)

- Commonly referred to in the mortgage world as a "rate and term" refinance or a "streamline" refinance
- Must be a VA to VA loan
- The IRRRL typically requires no money out of pocket from the veteran
- VA does not require a credit report, appraisal or any other verifications of deposit or income
- Some lenders now requiring full documentation to close on an IRRRL
- Credit report and appraisal can be charged to veteran, provided the costs are "reasonable and customary"

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36



What Amounts Can Be Included in an IRRRL?

VA Form 26-8923, IRRRL Worksheet is designed to assist lenders with calculating the maximum VA IRRRL loan.


A veteran can refinance the following into the IRRRL:

- Existing VA loan payoff (can't be 30 days past due at closing)
- + Allowable VA closing costs
- + VA funding fee
- + Up to 2 discount points to obtain interest rate reduction

= Maximum VA IRRRL

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37




VA Form 26-8923

- VA Form 26-8923, IRRRL Worksheet assists lenders with calculating maximum loan amount
- Lenders must ensure the worksheet is accurate versus the HUD-1 Settlement Statement
- VA audit process has seen numerous instances of abuse in completing the 26-8923
- VA funding fee, origination charge and discount points are calculated using this form
- Substantial differences in payoff on 26-8923 and HUD-1 can result in overcharges to the veteran that lender will have to refund

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38



Interest Rate Reduction Refinance Loan (IRRRL)

Lender Must Certify:


- Interest rate and principal / interest payment are being reduced
or
- Interest rate and term of the loan are being reduced

Veteran Must Certify:

- Veteran must sign certification acknowledging the effect of the "old" vs. "new" principal / interest payments and the number of months to recoup closing costs

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39




20% Rule For IRRRL's

If the whole mortgage payment (PITI) will increase by 20% or more, the lender must certify:

- That the veteran qualifies for the increase in payment
- This may involve fully developing IRRRL as full document loan to review debt ratios, credit, etc.

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40




IRRRL Reminders

- Veteran can close an IRRRL with the principal and interest going up if converting from a VA ARM product to a fixed rate VA mortgage, or from a VA graduated payment mortgage to a fixed rate VA mortgage
- Maximum cash to veteran is \$500, but the VA Handbook is very specific about the fact that the IRRRL is not intended to give veterans cash at closing
- Term of the loan cannot go up by more than 10 years from original term (don't forget the rate must still be reduced)
- If existing VA loan is more than 30 days past due at closing, the IRRRL needs to be sent to the RLC of jurisdiction for underwriting

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41



Advertising the VA IRRRL Program

VA has seen numerous instances of abuse when advertising This benefit. Some reminders include:

- Cannot advertise that the veteran can “skip up to 2 payments”
- Cannot advertise that the veteran can receive up to \$500 cash back at closing
- Cannot advertise that your company has a special relationship with VA
- The lender cannot use the VA seal, or any other VA copyrighted emblem on its advertising

VA Home Loans

42

Advertising the VA IRRRL Program (cont.)

- The lender should avoid sending out advertising using envelope print that claims "Veterans Benefits Department" or "Important Veterans Benefit"
- Lenders cannot charge an up front fee in order to get the IRRRL moving forward (it's a no money out of pocket loan!)
- Lenders are asked to consider cost / benefit analysis when offering the IRRRL program. Audited examples of abuse:
 - 600 months to recoup closing costs?
 - Monthly P&I cost savings of \$.18 per month?
 - Having veterans close their 3rd IRRRL in two years?

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43

Special Veteran Program

Congress Authorizes New Home Program For Veterans

Dear Veteran,

The Veteran's Administration has come up with an outstanding new refinance program. This may be your last opportunity to refinance under the VA Streamline Refinance Program and take advantage of the low rates.

As a Veteran, you are entitled to benefits unavailable to other mortgage holders. You could significantly reduce your interest rate, lower your term, or fix and adjustable rate.

The benefits of the VA Streamline Refinance Program include:

- A low interest rate of 4.875%
- Lower monthly mortgage payments
- An opportunity to skip up to 2 payments and receive \$500 cash back at closing
- Waiver of existing escrow account (money back to you)
- No out of pocket costs

There Are Little Requirements:

- Late Payments OK
- Unemployed or Self Employed OK
- No Credit History
- No Appraisal
- Armed Forces
- Cash Out Available
- Consolidates your 1st and 2nd Mortgage

Please call our loan officers at 1-800- to guide you through the VA Streamline Refinance Program. There are no automated phone systems to fight your way through. A friendly voice answers every call.

Daily 9:00 a.m. to 8:00 p.m. Monday thru Friday (EST)

If you have converted to a Conventional, FHA or other type of loan now is the time to convert back to the VA. The VA contains benefits that are not available to other consumers.

Don't miss this opportunity.

VETERANS INFORMATION DEPARTMENT

• 391 ROBERTS ROAD •
OLDSMAR, FLORIDA 34677

VETERANS: IMPORTANT BENEFIT ENCLOSED

CONFIDENTIAL

Consecutive Purchase and Improvement Program

- Veteran can purchase a home and propose to make improvements concurrently
- Veteran would need to submit blueprints and specification sheets clarifying improvement
- Improvements must result in a dollar for dollar increase in value (VA appraiser will determine using prints and specs)
- Escrow would be established and distributed upon inspections from VA appraiser

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46

Farm Property

- Veterans can purchase farm property with no restrictions on acreage
- VA loan may only consider value of the house and land to support residence
- All acreage is not necessarily given value for purposes of the VA loan
- Livestock, farm equipment, supplies and crops are not considered in the VA appraisal
- Buildings other than those that support the home are typically not given value

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47

Energy Efficient Mortgage Improvements (EEM's)

- Veterans can add up to \$3,000 to the 100% financing simply by providing a documented bid from a contractor
- Veterans can add from \$3,001 - \$6,000 in EEM's by providing an energy analysis to show that estimated monthly expense of the EEM improvement is less than monthly cost savings to utilities
- Veterans can add over \$6,000 in EEM's provided the cost is supported by a dollar for dollar increase in value (VA appraiser must certify increase in value)
- Funds are held in escrow until work is completed (does not have to be the typical 1 ½ times amount)

VA Home Loans

48

Energy Efficient Improvements

Items That Can Be Added

- Windows and doors
- Clock thermostats
- Furnaces
- Water heaters
- Insulation and weather stripping
- Solar heating and cooling systems
- Heat pumps
- Insulated garage doors on an attached garage

Items That Cannot Be Added

- Air conditioning units – can be added if veteran has a medical certification due to breathing issues
- New roof or shingles
- Vinyl siding
- Glass block windows
- If questions regarding improvements, contact RLC

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49

Energy Efficient Improvement Analysis

For EEM's that result in \$3,001 - \$6,000 of improvement, VA requires an energy analysis. Analysis must document:

- If the additional monthly expense will be less than the monthly savings to the veteran's utility bills.
- The Department of Energy provides a website to accomplish this analysis. It can be found at:

<http://hes.lbl.gov/>

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50

HOME ENERGY SAVER™

START

DESCRIBE

COMPARE

UPGRADE

LEARN

Save money, live better, help the earth! Over 6 million visits!

ENERGY CALCULATOR

Enter your zip code, or

Enter previous session #

GO

[Look up zip code](#)

Case Studies

Home Energy Saver helped me save thousands of dollars per year. It is one investment device that makes paying bills worthwhile.

— Nick Weller
Wheat Ridge, Colorado

[Read more stories. Add yours.](#)

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- [Making Microsoft Go Green? Be Sure That's Efficient](#)
- [Smart Meters and a Smarter Grid](#)
- [Get the latest on energy efficiency tax credits](#)
- [Greening at Home Depot](#)
- [EBC featured by Steve Orman in Oregon Magazine](#)

Are YOU set to save?


Please help us learn more how information generated with a 1 minute survey.


[Sure, I'll do the survey](#)

More resources for: Teachers • Energized Learning • Professionals • [eEco2](#) • Help implementing our recommendations • [ENERGYSTAR.gov](#)

Eligibility

Who's Eligible For A VA Home Loan





Eligibility Issues

- #1 Rule: You must obtain a certificate of eligibility (COE) prior to setting up a closing date for a VA home loan
- Do not assume all veterans are eligible
- VA Regional Offices no longer provide certificates of eligibility (can only obtain from an RLC or the Atlanta Regional Loan Center)
- Regional Loan Centers are not the primary location that is responsible for issuance of certificates of eligibility
- Primary responsibility for issuance of a COE is the Eligibility Center now located at the Atlanta Regional Loan Center
- If you arrived at the day of closing and you don't have a COE, someone at your company screwed up

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53



Which Veterans Are Eligible?

- Army
- Navy
- Air Force
- Marines
- Coast Guard
- National Guard / Reserves
- Service members of various military academies (West Point, Naval Academy, Air Force Academy, etc.)



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54



Basic Eligibility Requirements

- 2 years of continuous active duty. If discharged must have at least a discharge "Under Honorable Conditions"
- 6 years of combined service in the Selected Reserves or National Guard. If discharged must have at least an "Honorable" discharge.
- 90 days of continuous active duty, called to active duty under U.S.C. Title 10. If discharged must have at least a discharge "Under Honorable Conditions"
- 181 days of continuous active duty during peacetime for the following periods (7/26/47 – 6/26/50 or 2/1/55 – 8/4/64 or 5/8/75 – 8/1/90)

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55



How To Obtain A Certificate of Eligibility

- WebLGY – Automated Certificate of Eligibility (ACE)
- E-Benefits
- Atlanta Eligibility and Regional Loan Center
- Walk-in applications
- Prior loan validation for IRRRL's

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56




WebLGY

- WebLGY is a system located in the Veterans Information Portal (VIP). This system will eventually be the central processing site for all VA loan activity.
- Individual users must register themselves
- Shared corporate based registrations are not acceptable since the VIP will eventually require the user to change the password every 90 – 120 days

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57



How To Register for the Veterans Information Portal

- Users who wish to register for the VIP will need both a VA lender identification number and a PIN number
- In order to process any VA loan activity, a lender must have a VA lender i.d.
- Lenders are issued a VA lender identification number by the RLC that has jurisdiction over the lender's home office location

VA Home Loans
58



How To Register for the Veterans Information Portal


To register for the VIP, the lender's identification number will appear as follows:

123456-00-00: Typical of a home office

123456-23-63: Typical of a branch office

The PIN number is the last 4 digits of the VA lender i.d. (as underlined above)

VA Home Loans
59



Where Does a Lender Register For the Veterans Information Portal

Portal Registration:

<http://vip.vba.va.gov>

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60



VA Home Loans

61



Complete Required Fields

Veterans Information Portal

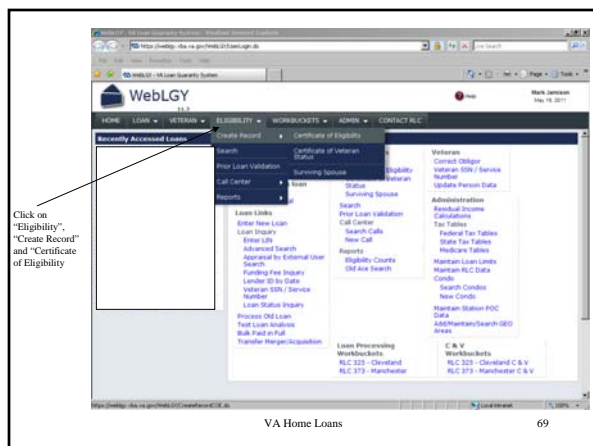
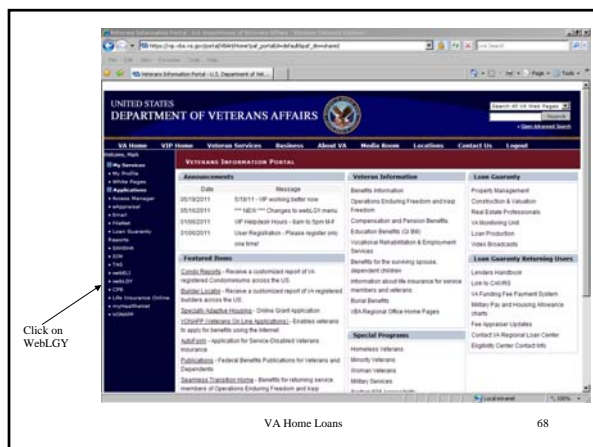
- Once all remaining fields are completed, the user will click on “Submit”
- VIP will give the user a user name that typically takes the format: john.doe
- VIP will also give the user a temporary password. This password will have to be changed once the system prompts the user to do so.

VA Home Loans
65

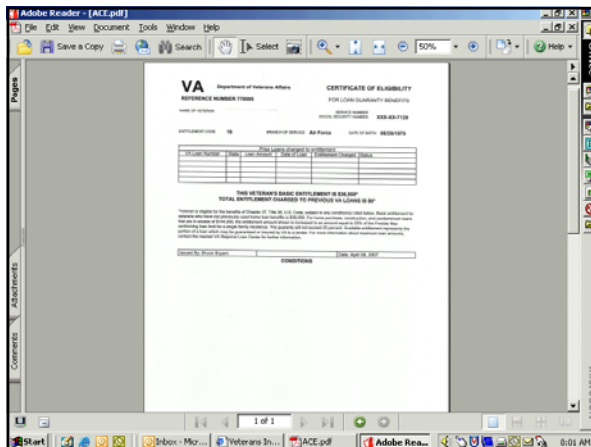
How To Obtain an Automated Certificate of Eligibility

- Once the lender has a user name and password, they can login to the Veterans Information Portal
- Once they are logged in, the primary system for lenders is called WebLGY

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66





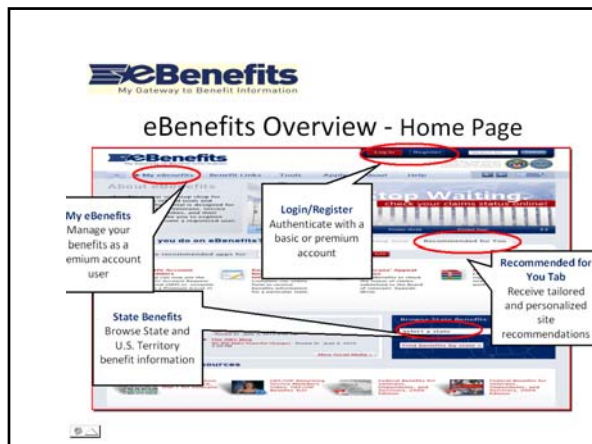


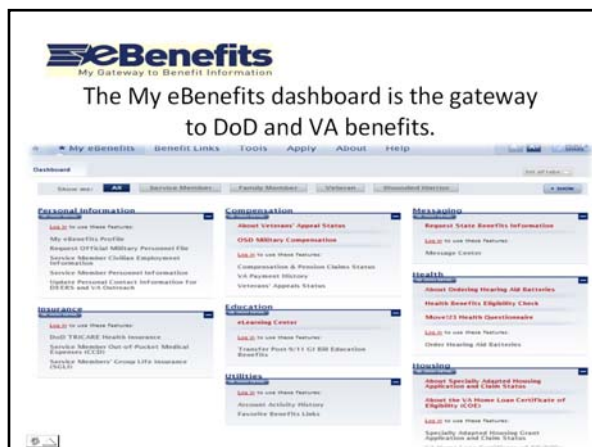
Automated Certificate of Eligibility

- If the lender is not successful using the ACE program, lenders will receive a message from ACE and a Reference number
- Lenders should obtain copy of DD214 and copy of HUD-1 (if veteran had previous VA loan)
- Lender can then scan those documents into their hard drive and then upload into WebLGY

VA Home Loans
72







E-Benefits Features

- Apply and obtain a home loan certificate of eligibility
- Check status of compensation or pension claims
- View payment history of VA benefits
- Access and retrieve copies of official military personnel records
- Transfer education benefits for post 9/11 GI Bill
- Have access to mobile e-Benefits on your cell phone

VA Home Loans
78




Certificate of Eligibility by Mail

Provide the following information to the Atlanta RLC:

- Completed VA Form 26-1880
- Copy of discharge papers – Form DD214, or other national guard/reservist documentation
- If still on active duty, have military member provide a “statement of service”



VA Home Loans
79




VA Eligibility Center

Previously mentioned documentation should be sent to:

VA Regional Loan Center
Attn. COE (262)
P.O. Box 100034
Decatur, GA 30031
(888) 768-2132

VA Home Loans
80

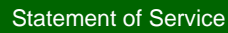


What is Required for Proof of Military Service?

The following documents are typically used to prove whether a service member is eligible:

- Statement of Service:** physical letter or e-document from the military expressing the military service member's current enlistment
- DD 214, Member 4 copy:** most common discharge document given to all members of the military once they've completed their term of service
- NGB 22:** commonly issued by the national guard or reserves once a military service member has discharged
- Points Statement:** commonly used by the national guard or reserves to account for ongoing points earned towards retirement and future benefits

VA Home Loans
81



- Service member's name
- Social security number
- Date of birth
- Date of entry into the military



- The formal discharge document for an active service member's tour of duty
- Issued by the Department of Defense
- VA does not store DD214's
- DD 214, Member 4 copy is the preferred copy of this document to review service member's tour of duty and character of discharge



DD214 U.S.C. Title 10

- Same format as all other DD 214's
- Issued to service members who were involuntarily called to active duty during a time of war or national interest
- Narrative section should state reason for call-up
- Only 90 days active duty and honorable discharge required to be eligible

VA Home Loans

88



National Guard / Reservist Points Statement

- Typically available from the national guard/reservist member's command post
- Most state's adjutant general's office in charge of storing document
- Must show 6 years of accumulating active or inactive duty points
- Must have at least 1 active or inactive duty point in each of the 6 years. The 15 points for membership does not count.
- 6 years does not have to be consecutive years
- 6 years can be made up from various states' national guard/reservist duty
- Veteran needs to fulfill the full 6 years

VA Home Loans

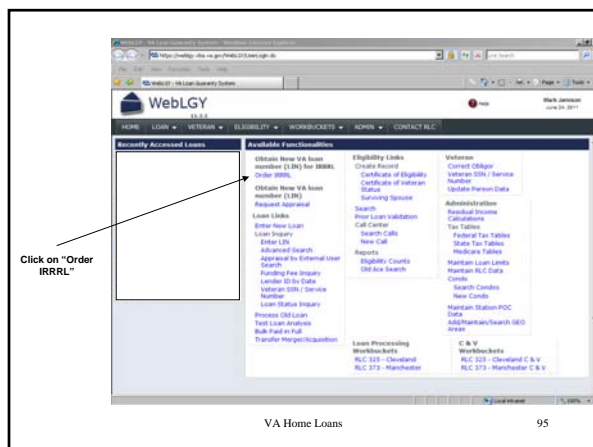
90



- Lenders do not need a COE for an IRRRL
- Prior Loan Validation screen printouts are no longer required
- WebLGY will not issue a new IRRRL VA loan number unless the information coded into WebLGY to obtain that IRRRL loan number matches an open, active VA loan

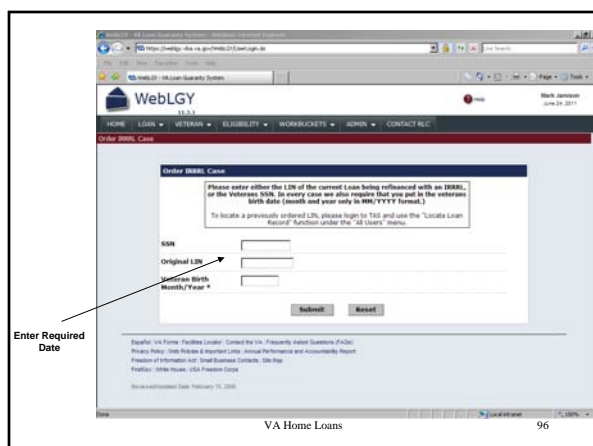
VA Home Loans

94



VA Home Loans

95



VA Home Loans

96

Enter Various Date Fields Documenting Lender Information

VA Home Loans 97

Provided the veteran has an open, active VA loan, WebLGY will issue a new IRRRL VA Loan Number. You Do Not Need a Prior Loan Validation Screen

VA Home Loans 98

Surviving Spouse Eligibility

- Some un-remarried surviving spouses are eligible for the VA home loan benefit
- Just because veteran died, benefit does not automatically transfer to spouse
- Veteran's death must have been caused by injuries sustained while on active duty
- Injuries could have been immediate or they could have resulted in physical disability that ultimately led to veteran's death many years later
- Determination cannot be done in ACE
- Must send Eligibility Center VA Form 26-1817
- Determination could take 4 – 6 weeks (do not process VA loan until you have actual COE)
- Entitlement code would always be '6' if spouse was deemed eligible

VA Home Loans 99



Restoration of Entitlement

- VA loan can be used more than once
- Full restoration of entitlement requires payoff of existing VA loan **and** transfer of title
- Veteran must obtain new COE
- Entitlement code for restoration would always be '5'
- In order to obtain, send the following documents to the Atlanta Regional Loan Center:
 - * Fully completed VA Form 26-1880
 - * Proof of discharge, points statement or statement of service
 - * Proof of payoff/transfer of title (HUD-1)

VA Home Loans

100



Restoration of Entitlement – Back-to-Back Closings

- Lenders do not have to wait for new COE if veteran is selling an existing home guaranteed by VA loan
- Send documentation to RLC after closing on new VA loan:
 - * Modified guaranty loan package
 - * HUD-1 from previous home guaranteed by VA
 - * Signed VA Form 26-1880 from veteran
 - * DD 214 or other military documentation regarding service time and discharge

VA Home Loans

101



One Time Restoration

- If veteran no longer has a VA loan, but still owns the same home, veteran can obtain a one time restoration
- Veteran must certify they will occupy house to be guaranteed by new VA loan
- Veteran needs to complete VA Form 26-1880 and document that they still own home
- Typical discharge documentation and 26-1880 must be sent to Eligibility Center

VA Home Loans

102



VA Entitlement Codes

VA Entitlement Codes:

- 01 World War II
- 02 Korean War
- 03 Post-Korean
- 04 Vietnam War
- 05 Entitlement Restored
- 06 Unremarried Surviving Spouse
- 07 Spouse of POW/MIA
- 08 Post-World War II
- 09 Post-Vietnam
- 10 Persian Gulf War
- 11 Selected Reserve

VA Home Loans

103

Getting Started

Documentation Required to Initiate a VA Home Loan






Regulatory and VA Forms To Get VA Loan Started

The following documents should be obtained and forms signed by the veteran at application stage:

- ✓ An original or ACE Certificate of Eligibility
- ✓ A signed, purchase contract with escape clause
- ✓ Uniform Residential Loan Application (Freddie Mac Form 65 / Fannie Mae Form 1003 is acceptable)
- ✓ VA Form 26-1802a, HUD/VA Addendum to URLA
- ✓ Tri-merged credit report or residential mortgage credit report
- ✓ Escape Clause
- ✓ Good Faith Estimate
- ✓ Equal Credit Opportunity Certification

VA Home Loans

105




Regulatory and VA Forms To Get VA Loan Started (cont.)

- ✓ General verification authorization form
- ✓ VA Form 26-8497, Request for VOE
- ✓ VA Form 26-8497a, Request for VOD
- ✓ Funding Fee Exemption Questionnaire
- ✓ VA Form 26-8937, Verification of VA Benefits
- ✓ Counseling Checklist for Military Homebuyers (only if on active duty)

VA Home Loans

106




Alternative Verification Documents

Formal discussion about alternative verification forms will be in Chapter 6. These include:

- ✓ Paycheck stubs (covering past 1 full month)
- ✓ Bank and investment statement (past 2 months)
- ✓ W-2's (past 2 years)
- ✓ Signed Tax Forms (past 2 years)
- ✓ Verbal verification of employment (date of hire, position and probability of continued employment)

VA Home Loans

107



Additional Documentation To Complete VA Loan File

There will be additional documents that need to be completed by the lender throughout the origination process. These will be discussed later in this training. Those documents include:

- ✓ Notice of Value
- ✓ VA Form 26-6393, Loan Analysis
- ✓ VA Form 26-1820, Certification of Loan Disbursement
- ✓ VA Form 26-0286, Loan Summary Sheet
- ✓ Specific Power of Attorney (if an Attorney-in-Fact is being used)
- ✓ HUD-1 Settlement Statement
- ✓ VA Funding Fee Receipt
- ✓ Automated Underwriting System Feedback Certificate and Documentation Certificate
- ✓ Divorce Decree
- ✓ Others...

VA Home Loans

108

VA Appraisals



VA Home Loans

109



VA Appraisals

Cleveland RLC Appraisal Mailbox:

325cnv@vba.va.gov

**This e-mail box should only be used
for appraisal inquiries**

VA Home Loans

110



VA Appraisals

- Lenders must obtain a VA appraisal assignment through VA's WebLGY system
- Lenders cannot appraiser "shop" until they get an appraiser that they prefer
- By law, VA is required to maintain an appraiser panel to evaluate property values for a VA home loan
- Problem appraisers need to be dealt with. It is the lender's responsibility to identify problem appraisers by providing documented evidence of the problems experienced.
- The Cleveland RLC is aggressively monitoring appraiser quality and timeliness. Several appraisers have been removed in the past 24 months.

VA Home Loans

111

How To Order A VA Appraisal

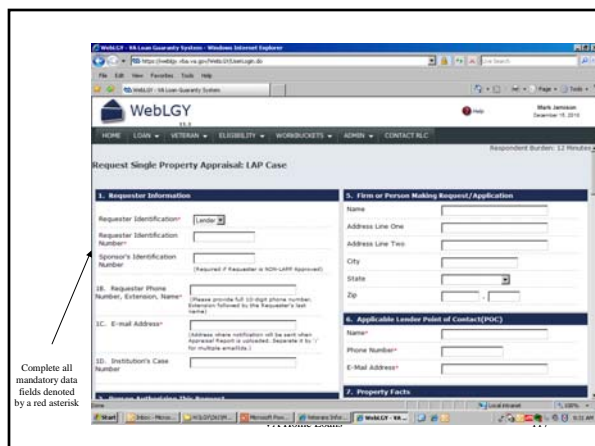
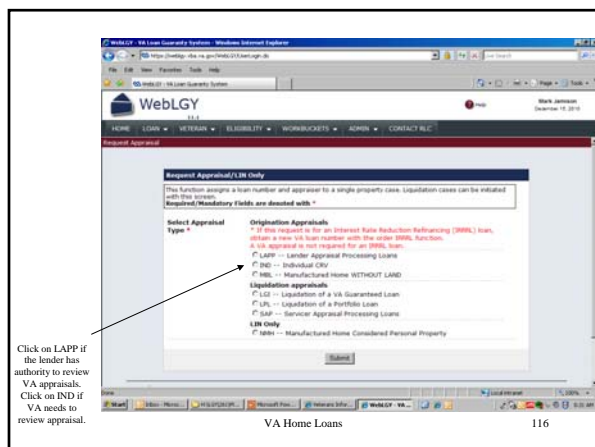
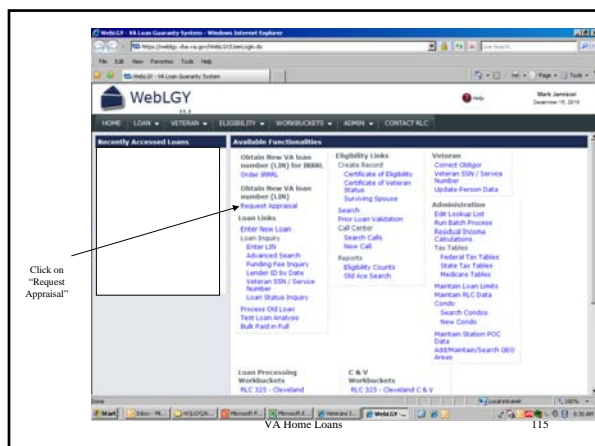
VA Home Loans

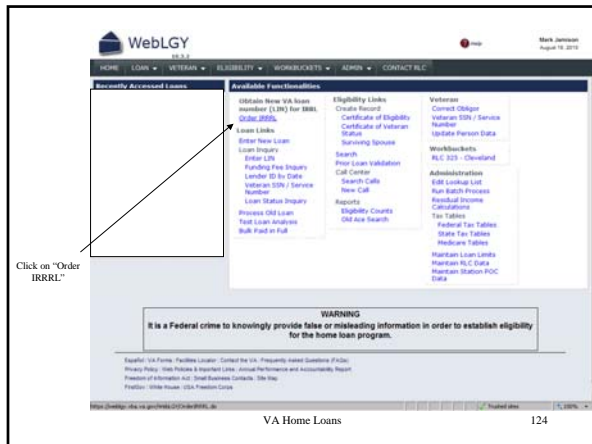
112



VA Home Loans

114





WebLGY v3.3.3

HOME LOAN VETERAN ELIGIBILITY WORKBUCKETS ADMIN CONTACT RLC

Recently Accessed Loans

Available Functionalities

Gettable New VA loan member (LIN) for 2008: Order IRRL

Loan Links

Enter New Loan

Loan Inquiry

Enter LIN

Pending Fee Inquiry

Lender ID by Date

Veteran ID / Service Number

Loan Status Inquiry

Process Old Loan

Track Loan Interest

Build Table in Full

Eligibility Links

Create Record

Certificate of Eligibility

Certificate of Veteran Status

Turning Spouse

Search

Prior Loan Validation

CDF Center

Search Call

View Call

Recovery

Eligibility Counts

Old App Search

Veteran

Correct Obligor

Veteran ID / Service Number

Update Person Data

Workbooks

RLC 303 - Cleveland

Administrations

EDL Lookup List

Run Batch Process

Revised Income

Calculations

Tax Tables

Federal Tax Tables

State Tax Tables

Medicare Tables

Maintain Loan Limits

Maintain RLC Data

Maintain Station POC Data

WARNING

It is a Federal crime to knowingly provide false or misleading information in order to establish eligibility for the home loan program.

Equalized VA Forms - Practice Locator - Contact the VA - Frequently Asked Questions (FAQ) - Privacy Policy - Web Release & Important Links - Annual Performance and Accountability Report - Freedom of Information Act - Small Business Contacts - Site Map - Feedback - White House - USA Freedom Corps

124



WebLGY v3.3.3

HOME LOAN VETERAN ELIGIBILITY WORKBUCKETS ADMIN CONTACT RLC

Order IRRL Case

Please enter either the LIN of the current loan being refinanced with an IRRL, or the Veterans SSN. In every case we also require that you put in the veterans birth date (month and year only in MM/YYYY format.)

To locate a previously entered LIN, please login to this and use the "Locate Loan Record" function under the "all users" menu.

SSN

Original LIN

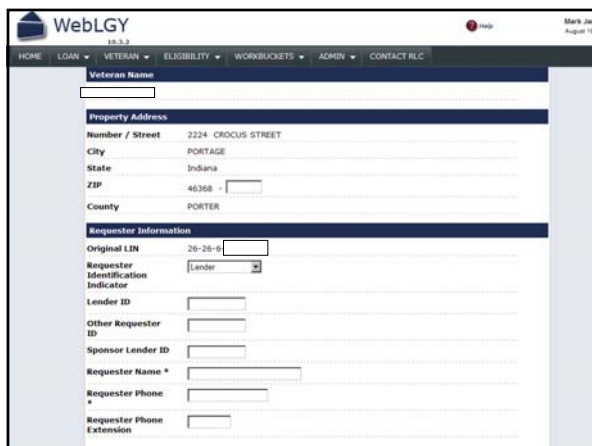
Veteran Birth Month/Year *

Submit Reset

Equalized VA Forms - Practice Locator - Contact the VA - Frequently Asked Questions (FAQ) - Privacy Policy - Web Release & Important Links - Annual Performance and Accountability Report - Freedom of Information Act - Small Business Contacts - Site Map - Feedback - White House - USA Freedom Corps

Reviewed/Updated Date: February 16, 2006

125



WebLGY v3.3.3

HOME LOAN VETERAN ELIGIBILITY WORKBUCKETS ADMIN CONTACT RLC

Veteran Name

Property Address

Number / Street 2224 CROCUS STREET

City PORTAGE

State Indiana

ZIP 46368

County PORTER

Requester Information

Original LIN 26-26-0

Requester Identification Indicator Lender

Lender ID


Other Requester ID

Sponsor Lender ID

Requester Name *

Requester Phone *

Requester Phone Extension



WebLGY

10.3.3

Mark Jan
August 10

HOME LOAN VETERAN ELIGIBILITY WORKBUCKETS ADMIN CONTACT RLC

Order IRRL Case

IRRL Ordered Successfully

IRRL Loan Information

New IRRL LIN 26-26-6

Original LIN 26-26-6

Veteran Name

Property Address 2214 CROCUS STREET
PORTAGE, Indiana 46368

County PORTER

Requester Identification Indicator Lender

Lender ID 565250000

Other Requester ID

Sponsor Lender ID


Requester Name MARK

Requester Phone (800)729-5772

Requester Phone Extension

Order New IRRL

Expell: VA Forms - Facilities Locator - Contact the VA - Frequently Asked Questions (FAQs)



Lender Appraisal Processing Program (LAPP)

- LAPP allows lenders with automatic authority to review VA appraisals and issue a VA Notice of Value (NOV)
- The designation for the individuals approved to issue LAPP NOV's is called a Staff Appraisal Reviewer (SAR)
- Approximately 94% of all NOV's are issued under the LAPP program


VA Home Loans 128



LAPP Property Eligibility


<u>Eligible Properties</u>	<u>Ineligible Properties</u>
<ul style="list-style-type: none"> • Existing Single Family Homes • VA Approved Condominiums and Townhouses • New Construction • Proposed / Under Construction • Manufactured Homes 	<ul style="list-style-type: none"> • Master Appraisals of Planned Unit Developments • Partial Releases of Security • HUD Appraisal Conversion

VA Home Loans 129




Role Of The Staff Appraisal Reviewer (SAR)

- Issues the Notice of Value on behalf of automatic lenders
- Verifies whether VA appraiser's Uniform Residential Appraisal Report is completed properly
- Reviews appraiser's methodology
- Ensures a sales approach was used unless property has more than 1 unit (income approach)
- Ensures that comparables are timely
- Verifies compliance with VA and USPAP guidelines



VA Home Loans

130



Role Of The Staff Appraisal Reviewer (SAR)

- Ensures appraisal is done timely
- Reviews sales/financing incentives are accounted for in appraised value
- Ensures that VA appraiser is not just accommodating purchase price
- Mandates required photographs of subject home and comparables
- Ensures that comparables are of like consistency (comparing a ranch style home to other ranch style homes, etc.)

VA Home Loans

131




Who Can Become A Staff Appraisal Reviewer (SAR)?

- Must be a full time employee of the company
- Must have at least 3 years experience involving the review of appraisals or credit underwriting
- Must be knowledgeable of appraisal techniques, realty practices, collecting real estate data and recognition of deviations from uniform appraisal requirements
- 3 years' HUD Direct Endorsement appraisal reviewer experience satisfies requirement
- Must take VA Central Office mandated LAPP training at one of the annual VA training sites, or obtain training from a VA Central Office approved "Super SAR"

VA Home Loans

132




How To Become A Staff Appraisal Reviewer (SAR)

Send resume, LAPP application and \$100 check payable to Department of Veterans Affairs to:

Department of Veterans Affairs
Administrative and Loan Accounting Center (105/241A)
Attn. Agent Cashier
1615 Woodward Street
Austin, TX 78772-0001

LAPP application and requirements can be found in VA Pamphlet 26-7, Chapter 15.

VA Home Loans 133



The Notice of Value (NOV)

- After the COE, this is the most important document in VA file
- Mandatory for all VA loans except IRRRL's
- Any proposed change to appraised value must be reviewed by RLC
- Notice of Value is good for 6 months (extensions only in rare instances)
- An extension to NOV expiration date must be done by RLC
- Maximum loan is the lesser of the purchase price or value provided on NOV
- SAR is mandated to send a copy of NOV to veteran within 5 days of receipt of appraisal
- All NOV's must be issued through WebLGY

VA Home Loans 134

9/12/2009

LENDER'S NOTICE OF VALUE

LENDER LOAN NO. [] VA CASE NO. 25-25-4 []

PROPERTY ADDRESS []

BEAVERCREEK, OH 43422

Dear MS []

The above property has been appraised by a fee appraiser assigned by the VA Regional Loan Center in CLEVELAND, OH. On 09/12/2009, our VA-authorized appraisal reviewer personally reviewed the fee appraiser's report and determined the property's estimated reasonable value to be \$148,000. The maximum repayment period for a loan to purchase this property is 30 years.

The VA appraisal was made to determine the reasonable value of the property for loan purposes. It must not be considered a building inspection. Neither VA nor the lender can guarantee that the home will be satisfactory to you in all respects or that all equipment will operate properly. A thorough inspection of the property by you or a reputable inspection firm may help minimize any problems that could arise after loan closing. In an existing home, particular attention should be given to plumbing, heating, electrical and roofing components.

REMEMBER: VA GUARANTEES THE LOAN, NOT THE CONDITION OF THE PROPERTY.

(x) 1. ENERGY CONSERVATION IMPROVEMENTS. You may wish to contact the utility company or a reputable firm for a home energy audit to identify needed energy efficiency improvements to this previously occupied property. Lenders may increase the loan amount to allow buyers to make energy efficiency improvements such as: Solar or conventional heating/cooling systems, water heaters, insulation, weather-stripping/caulking and storm windows/doors. Other energy-related improvements may also be considered. The mortgage may be increased by up to \$2,000 based solely on documented costs, or up to \$8,000 provided the increase in monthly mortgage payment does not exceed the likely reduction in monthly utility costs, or more than \$8,000 subject to a value determination by VA.

(x) 2. WOOD-DESTROYING INSECT INFORMATION. The property must be inspected at no cost to you by a qualified pest control operator using Form NPMA-33, or other form acceptable to VA. Any reported infestation or structural damage affecting the value of the property must be corrected to VA's satisfaction prior to loan settlement. You must acknowledge receipt of a copy of the inspection report in the space provided on the form.

3. Soil Treatment Guarantee (Proposed or Under Construction). A property completed Form SPCA-55 is required. If the soil is treated with a nematicide, a




Builder Registration

- All VA new construction or proposed construction less than 1 year old / never occupied requires a VA registered builder
- Registration documents can be faxed to: (216) 522-3108
- Required registration documents:
 - * **Builder Information and Certification (Sample can be found in VA Pamphlet 26-7, Chapter 10, Figure 1)**
 - * **VA Form 26-421 (Equal Employment Opportunity Certification)**
 - * **VA Form 26-8791 (VA Affirmative Marketing Certification)**



VA Home Loans

136



PUD / Condo Issues

- All proposed PUD's using VA home loan can be reviewed by lenders with automatic authority
- Condominiums and townhouses must either be approved by VA or have a HUD approval date prior to December 7, 2009
- VA does not allow "site" condominiums (typical in Michigan)
- Whole condo/townhouse development has to be approved
- If development was approved, make sure the Phase where property is located was approved
- HOA fees must be subordinate to VA's first mortgage in all instances (including to obtain sheriff's deed)

VA Home Loans

137



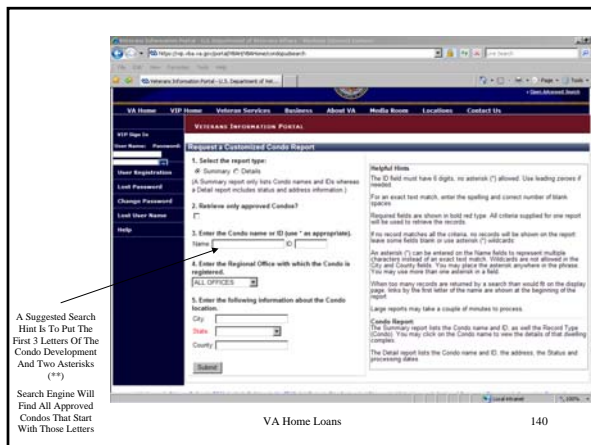
Approved Condo/Pud/Builders


A list of approved VA condominiums, townhouses, PUD's and Builders can be obtained at:

<https://vip.vba.va.gov>

VA Home Loans


138






Manufactured Homes

- Must meet VA's minimum property standards of safe, sanitary and sound
- Single wide or double wide acceptable
- Must be permanently affixed to a foundation (no mobile homes in rental parks)
- Must have be accompanied with a foundation plan
- Must be recorded as real estate with a deed (not with Bureau of Motor Vehicles)
- VA does not require manufactured home identification plate on home



VA Home Loans


141



Appraiser Expectations

- Appraisers must never charge more than the allowable appraisal fee as approved by VA
- If VA appraiser does charge more, SAR is expected to notify VA and remit only allowable appraisal fee as payment
- VA appraisers can not charge for the appraisal prior to providing the Uniform Residential Appraisal Report (URAR)
- Appraisers are expected to submit VA appraisal report within normal conventional loan timeframes (approx. 5 – 7 days)
- VA appraisers are not home inspectors. VA recommends that veterans obtain and pay for a private home inspection.
- SAR's are required to notify VA RLC of problem appraisers (with supporting documentation)
- Appraiser must always enter proposed home (drive-by appraisals never acceptable)


VA Home Loans
142



Issues Noted By VA Appraisers

- Lenders not properly documenting VA Form 26-1805 with point of contact of person who will be paying appraisal fee
- Lenders not paying appraisers within 30 days of being invoiced
- SAR's questioning appraiser logic without having experience in certain markets

VA Home Loans
143



Construction and Valuation (C&V) Questions – Cleveland RLC

- Telephone: (800) 729-5772, option #2
- Fax: (216) 522-3108
- E-mail: 325cnv@vba.va.gov
- Please contact C&V directly with appraisal, builder, PUD or condominium questions. Do not call Loan Production (option #4)

VA Home Loans
144

VA Funding Fees



VA Home Loans

145



Funding Fee Basics

- Funding fee can always be rolled into 100% financing (unless loan is at maximum conforming loan limit)
- Funding fee is amortized over life of loan (minimizes monthly impact versus PMI)
- No refund given if initial VA loan is paid off in the first year (unlike FHA loans that pre-pay first year's mortgage insurance)
- Funding fees are used to cover liquidation losses to VA
- Not all veterans owe a funding fee



VA Home Loans

146



Funding Fee Basics (cont.)

- Funding fee can be reduced with a 5% or 10% down payment
- Land equity for new construction can be used to reduce funding fee provided it accounts for at least 5% or 10% of equity
- Borrowed funds can be used to reduce funding fee (must account for borrowed funds in debt ratio)
- Funds used to make up the difference between appraisal and loan amount can be used to reduce the funding fee
- Funding fee may be tax deductible

VA Home Loans

147



Which Veterans Are Exempt From A VA Funding Fee?

The following veterans are exempt from paying a funding fee:

- Veterans receiving at least 10% VA compensation for service-connected disabilities
- Veterans who would be entitled to receive VA compensation for service-connected disabilities if they did not receive retirement pay from the military
- Veterans who are rated by VA as eligible to receive compensation as a result of a pre-discharge disability examination and rating
- Veterans entitled to receive VA compensation, but who are not presently in receipt because they are on active duty
- Surviving spouses of veterans who died as a result of service-connected disabilities or who died in combat

VA Home Loans

148



How To Determine Exempt Status

- Lenders should inquire with veterans as to their VA exempt status
- This "Funding Fee Exemption Questionnaire" form is typically on corporate letterhead
- The questionnaire form must ask the veteran 5 questions



VA Home Loans

149



Debt Questionnaire Format

- Are you currently receiving VA disability payments?
- Have you received VA disability payments in the past, but had those benefits discontinued because of active duty service?
- Would you be receiving VA disability payments if you did not receive retired pay
- Are you a surviving spouse of a veteran who died on active duty or as a result of a service-connected disability
- Have you filed a claim for VA disability benefits prior to discharge from active duty service

VA Home Loans

150



Verification of VA Benefit

- If veteran answered “yes” to any question, the lender should first pull a certificate of eligibility, or if an IRRRL , a loan number inquiry, to see if the exemption information is on those documents
- If the lender receives a message to refer to the Regional Loan Center, send VA Form 26-8937 to VA
- Send to RLC that has jurisdiction over property (fax number for each RLC in training binder Appendix C)
- If the veteran answered “No” to all of the questions, you should also see that they are not exempt on the COE or IRRRL printout. You do not need to send VA Form 26-8937 to VA

VA Home Loans

151



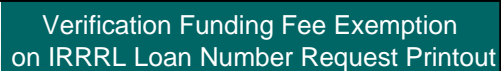
Verification Funding Fee Exemption on Certificates Of Eligibility

- Effective September 11, 2011 Lenders can now obtain the exemption information directly on the Certificate of Eligibility.
- In most cases, the certificate of eligibility will tell the lender if the veteran is exempt and how much VA disability compensation the veteran receives each month
- In most cases, this eliminates the need to send in VA Form 26-8937
- The following slide is an example of the new certificate of eligibility showing exemption information

VA Home Loans

152

The image shows a screenshot of a VA Certificate of Eligibility form. The form is titled "VA Department of Veterans Affairs CERTIFICATE OF ELIGIBILITY FOR LOAN GUARANTY BENEFITS". It includes fields for "REFERENCE NUMBER", "NAME OF VETERAN", "SERVICE NUMBER", and "SOCIAL SECURITY NUMBER". The "ENTITLEMENT CODE" is "09" and the "BRANCH OF SERVICE" is "Air Force". The "FUNDING FEE" is "NON EXEMPT". There is a table for "Prior Loans charged to entitlement" with columns for "U.S. Loan Number", "State", "Loan Amount", "Date of Loan", "Entitlement Charged", and "Status". Below the table, it states "THIS VETERAN'S BASIC ENTITLEMENT IS \$36,000" and "TOTAL ENTITLEMENT CHARGED TO PREVIOUS VA LOANS IS \$0". A note at the bottom states "The veteran is eligible for the benefits of Chapter 37, Title 38, U.S. Code, subject to any conditions listed below. Basic entitlement for veterans who have not previously used home loan benefits is \$36,000. Additional entitlement is available for most loans in amounts of \$18,000. In such cases, the entitlement amount is 20% of the VA loan limit for the county where the property is located. VA county loan limits are adjusted annually, and the current limits are available at www.benefits.va.gov/homeloans." The form is signed by "MARY HOFFER" on "November 03, 2011". A note at the bottom states "Funding Fee - Veterans is not exempt from funding fee." with an arrow pointing to the "FUNDING FEE" field.




- Effective December 5, 2011 lenders can now obtain the exemption information directly on the IRRRL loan number request printout as well
- In most cases, this eliminates the need to send in VA Form 26-8937
- The following slide is an example of the new IRRRL loan number request printout showing exemption information

VA Home Loans

154

[illegible][illegible]

VA Funding Fee Percentages			
<u>Active Duty</u>		<u>Reserve/National Guard (Entitlement Code '11' Only)</u>	
First Time Use:	2.15%	First Time Use:	2.40%
Subsequent Use:	3.30%	Subsequent Use:	3.30%
5% Down Payment:	1.50%	5% Down Payment:	1.75%
10% Down Payment:	1.25%	10% Down Payment:	1.50%
IRRRL:	.50%	IRRRL:	.50%
Assumption:	.50%	Assumption:	.50%
VA Home Loans		160	




How To Calculate Funding Fees

VA funding fees are calculated based on the entitlement code on the COE and down payment, if applicable. Example #1:

- \$100,000 purchase price / COE Entitlement Code is "10" with no down payment:
- $\$100,000 \times 2.15\% = \$2,150$
- $\$102,150 =$ maximum VA loan amount (without EEM's)

* Entitlement Code "10" means veteran is a first time user who served in the Persian Gulf War

VA Home Loans 161



How To Calculate Funding Fees

Example #2:

- \$100,000 purchase price / COE Entitlement Code is "5" with a 5% down payment:
- $\$95,000 \times 1.50\% = \$1,425$
- $\$96,425 =$ maximum VA loan (without EEM's)

* Reduced funding fee due to 5% down payment

VA Home Loans 162



How To Submit VA Funding Fees

All VA funding fees are paid through VA's Funding Fee Payment System (FFPS) at:

www.pay.gov/va

VA Home Loans

163



Funding Fee Refunds

You can apply for a refund of a funding fee through the Funding Fee Payment System:

- Go to Refunds Link
- Enter required documentation
- VA approves directly online

VA Home Loans

164



Typical Reasons For VA Funding Fee Refund

- Lender charged the wrong funding fee amount, i.e. 3.3% for a first-time borrower
- Lender actually paid VA funding fee on a loan that did not close
- Lender charged a funding fee on an exempt veteran
- Lender failed to include down payment for reduced funding fee
- Lender charged a funding fee on a veteran who was not exempt at the time of closing, but has since received at least a 10% disability rating with an effective date prior to the date the loan closed

VA Home Loans

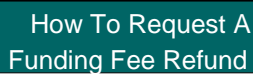
165



- Lender is the only one who can obtain the refund because their VA lender i.d. was used to input original data
- Lender who submitted the VA funding fee is required to apply for the refund on behalf of the veteran
- VA issues refund via ACH transaction only (no more Treasury checks)
- Refund typically issued in 3 – 5 days
- If veteran financed VA funding fee, it must be applied to principal balance (vet cannot receive back in cash)
- Lenders may be required to forward funding fee refund to their investor if they do not service the loan themselves

VA Home Loans

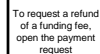
166



- VA reviews and approves refunds on a regular basis (approximately every 2 – 3 days)
- The following screen shots are provided as instruction on how to obtain a VA funding fee refund

VA Home Loans

167



Move to the Veteran Data section of the payment request and select the "Correct" Options. Input reason for refund and other required data

ACH Vendorization

- In order for a lender to obtain VA funding fee refunds, they must first vendorize their corporate bank information with VA's Austin Automation Center
- To do this, download Standard Form SF 3881, ACH Vendor Enrollment Form at:
<http://www.fms.treas.gov/pdf/3881.pdf>
- The form should be faxed to (512) 460-5221
- The following sample form is provided to show what information is needed under "Agency Information". The lender is required to complete the remainder of the information.

VA Home Loans 170

ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM

PRIVACY ACT STATEMENT

AGENCY INFORMATION

FEDERAL PROGRAM AGENCY: U.S. Department of Veterans Affairs - Financial Services Center

AGENCY OFFICE CODE (AO): 11194183

ADDRESS: 34001200

P.O. BOX: 149971

Austin, TX 78714-8971


CONTACT PERSON NAME: Customer Support Help Desk - Vendorizing Team

TELEPHONE NUMBER: 1 877 1361-8781

FAX: 1 877 1361-8781

FAX COMPLETED FORM TO: (512) 460-5221

PAYEE/COMPANY INFORMATION




FFPS User Guide

Lenders can download the VA Funding Fee Payment System User Guide at:

http://www.benefits.va.gov/homeloans/docs/va_ffps_users_guide.pdf

VA Home Loans

172



Funding Fee System Help Desk

The Funding Fee Payment System is not a VA system. It is managed by the Department of Treasury. To contact them regarding login, password or administrative issues:

Phone: (800) 624-1373

E-mail: pay.gov.clev@clev.frb.org

VA Home Loans


173

Underwriting



VA Home Loans


174




VA Underwriting

We Are Not FHA!


VA Home Loans
175



Income




VA Home Loans
176



Income


- In order to consider approval for a VA home loan, job stability is a mandatory requirement
- Generally speaking, veterans who have separated from service need a minimum 2 year work history (different employers okay)
- Veteran should be in most recent job 12 months
- Significant number of "egregious" loans are the result of a VA loan being approved for veterans not having stable employment
- All verifications of income must not be more than 120 days old at closing, or 180 days old if new construction

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177




Income – Standard Documentation Requirements

- VA Form 26-8497, Verification of Employment
- 2 years' W-2 Forms
- 2 years' 1099 Forms
- 2 years' Federal Tax Forms



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178




Income – Alternative Documentation Requirements

- Original or certified original of veteran's paystubs
- Should be 30 days worth of paystubs (1 monthly, 2 bi-weekly, 4 weekly)
- 2 years' W-2 forms
- **Very Important:** If lender chooses to use the alternative documentation requirements, lender must verify prior to closing via telephone with current employer:
 - » Date of Hire
 - » Prospect for Future Employment

VA Home Loans

179




Verification Alternatives

VA allows Internet based website verification such as "The Work Number" provided they show the following information:

- Name
- Social Security Number (truncated for privacy okay)
- Date of hire
- Annual income to document past 2 years
- Overtime, bonus amounts, etc.

VA Home Loans

180




Income Verification for Active Duty, Reservists and National Guard

- All active duty, reservists and national guard members are given a Leave and Earnings Statement (LES)
- LES is typically issued once per month unless veteran requests otherwise
- LES cannot be more than 120 days old, or 180 days old for new construction
- For information on how to read an LES go to:

www.dfas.mil (see next slide)

VA Home Loans 181






Leave and Earnings Statement Definitions

Taxable Incomes

- Base Pay
- HDP – Hardship Pay
- HF/IDP – Hostile Fire/Imminent Danger Pay
- HDIP – Parachute, Flight Deck, Demolition
- Flight Pay
- Pro Pay
- Sea Duty Pay
- Save Pay
- CONUS Cola

VA Home Loans 183

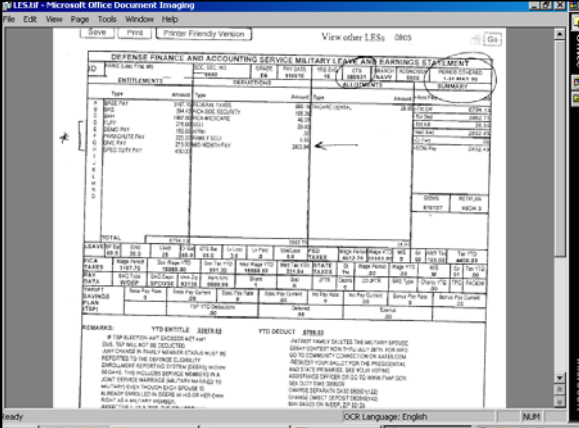



Leave and Earnings Statement Definitions

Non-Taxable Allowances

- BAH – Base Allowance for Housing
- BAS – Base Allowance for Subsistence
- Clothing Allowance
- Family Separation Allowance
- Personal Money Allowance

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184






Leave and Earning Statement Issues


- ETS Date – Estimated Time of Separation, typically in a YEAR-MONTH-DAY combination
- To use active duty income, veteran must have 12 months remaining on their ETS date or a letter signed by commanding officer stating they are eligible/intend to re-enlist
- Veterans can have a mid-month pay amount taken out of net income that allows them to better budget their income
- Allowances can be put on Line 38 of VA Form 26-6393, Loan Analysis

VA Home Loans
186




Self Employment Income

- Must be self employed at least 2 years
- Provide 2 years worth of business and/or individual tax forms
- A current year to date profit and loss statement
- Depreciation may be added back to net profit
- Partnerships are okay, but must be accompanied with proof of percentage of ownership



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187




Commission Income

If a major portion of income is drawn from commission income, veteran's employer must provide:


- * Year-to-date commissions received
- * Basis for computing commissions
- * Frequency of commission payment

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188




Commission Income

- Generally must have 2 year history
- Commission income after 1 year can be considered if prior related experience or technical knowledge.
- Income must be averaged over 12-24 month period
- Must provide 2 years W-2's and tax forms
- Commission less than 1 year can rarely be considered
- Lenders should be concerned with a recent history of successive monthly declines in commissions received




VA Home Loans
189




Rental Income

- Multi unit property - must show previous landlord experience and evidence of 6 months PITI as cash reserves, if using anticipated rents to qualify
- If rental income is not needed to qualify, reserves and experience are not needed
- Rental income to be used is 75% of previous, verified rent receipts
- Origination file will need to have copies of signed lease agreements



VA Home Loans

190




Rental Income From Existing Home

If veteran owns a house and proposes to rent existing house to move into VA home:

- Anticipated rental income can be used to offset mortgage payment if there is positive cash flow from rent receipt
- Additional positive cash flow cannot be used as qualifying income
- Negative cash flow needs to be listed as a debt on VA Form 26-6393

VA Home Loans

191



Trailing Spouse Income

- Typical income problem for veterans who move from base to base
- Generally cannot use as qualifying income unless:
 - there is a documented commitment for employment, and
 - the employment is a position related to current job
- If spouse is not moving, income can be used to offset expenses from current residence prior to moving
- Documentation proving employment in new location would be expected in origination loan file

VA Home Loans

192



Income From Child Support

- Must have evidence that it will continue for at least 3 years into the future
- If less than 3 years, lender can remove child from family size for the residual guideline

VA Home Loans

193



Stability of Income Issues

- The applicant must generally be employed 12 months or longer
- Waive 12 months employment rule if previous technical experience (computers, doctor, nurse, airline mechanic, etc.)
- Generally speaking, income from overtime, part time work or bonuses must have continued for 2 years

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194




Stability of Income Issues


- Temporary income from educational allowances or unemployment compensation do not represent stable income.
- Post 9/11 GI Bill Housing Allowance cannot be used
- Automobile reimbursement can only be used to offset car payments
- Foster care income can be used to offset any increase in residual income requirement
- Public Assistance or social security income must continue for at least 3 years (VA disability is considered a lifetime benefit)

VA Home Loans


195



Assets




VA Home Loans
196



Assets

- Must include original or certified copies of 2 months' worth of deposit verifications
- Veteran must have sufficient cash to cover:
 - * Closing costs, down payment and points that will not be in loan amount
 - * Difference in appraised value and purchase price if property appraises for less

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197



Assets

- Liquid Assets: funds that can readily become available within a 30-day period without penalty or taxation
- Potential loans secured by a 401(k) or Thrift Savings Plan can typically be considered a liquid asset
- IRAs are not considered a liquid asset
- Life insurance policy face values are not considered a liquid asset

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198



Gift Funds

- VA has no policy on gift funds to close a VA loan
- If gift funds are being used, lender must verify that funds were either deposited with veteran prior to or at closing, or show proof that funds were available

VA Home Loans

199



Debts and Obligations



VA Home Loans

200



CAIVRS

- Lenders are required to verify if the obligors have any open, unpaid Federal Debts
- Instructions are located in VA Pamphlet 26-7, Lenders Handbook in Chapter 4
- Document findings or authorization number in comment section of VA Form 26-6393, or provide CAIVRS printout
- FHA CAIVRS "C" numbers can be negated since obligor paid mortgage insurance premiums

VA Home Loans

201



Debts and Obligations

- Debts and obligations must be rated for timely payment and a credit report obtained
- Include explanation for any obligation used but not rated
- Include significant debts even if less than 10 months to pay if it causes severe impact on ability to cover residual expenses
- Remove smaller debts if less than 10 months remaining to payoff

VA Home Loans

202



Child Care Expense

- Significant number of "egregious" loans identified because lender failed to include child care expense
- Expenses for care of children 12 years old or younger must be included in debt section of loan analysis form, unless:
 - * Spouse does not work, or employment is of a part time nature
 - * If spouse does work full time, they must provide proof of no child care expense (separate certification must be in file)

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203



Other Debts

- If there is proof that a co-signed payment is being paid timely, debt can disregarded (12 months paid on time)
- If co-signed loan is not being paid timely, it can affect credit rating and should be included in debt ratio
- 401(k) loans are not considered in debt ratio for VA loans
- Student loans deferred 12 months are not considered in debt ratio

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204



Speaking of Debts!

“I don’t own any stocks and bonds. All my money is tied up in debt.”

George Carlin

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205



Debts and Obligations

- Serious thought should be given to obligors who have an appetite for a lot of debt
- Excessive numbers of accounts, “maxing” out credit cards and debts obtained immediately before loan application should raise “red flags”

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206

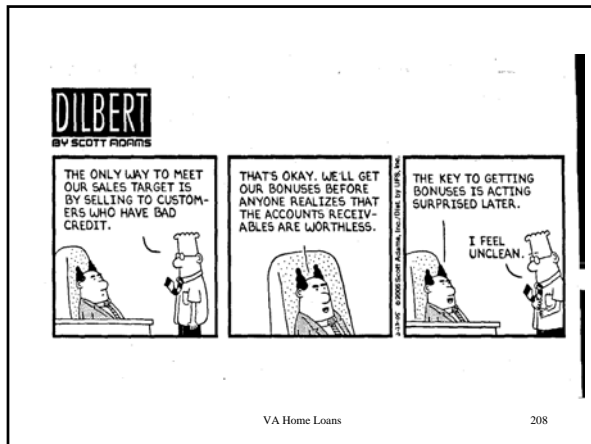


Credit



VA Home Loans

207



Credit History – General Rule

- Credit report must be a tri-merged credit report or Residential Mortgage Credit Report.
- It must not be older than 120 days from application for purchases or 180 for new construction
- Generally speaking, the veteran must not have derogatory credit within the past 12 months

Automatic denial:

- * Outstanding Judgments
- * Unresolved Federal Debts

VA Home Loans 209

Lack of Credit History

- Lack of an active credit history via a credit report does not automatically deny the veteran's loan
- Obtain credit references from non-traditional sources such as:
 - * Rental payments
 - * Utility payments
 - * Car insurance payments

VA Home Loans 210



Rental History

- VA requires at least 12 months rental payment history and it must be formally verified and rated
- Past housing payment history can be proof of a veteran's motivation to make timely payments

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211



Collection Accounts, Charge-offs, Judgments and Federal Debts

- Isolated collection accounts with an overall favorable history of timely payments should not negatively impact application
- Poor credit history, with collections being paid off, does not necessarily impact application in a positive way
- Judgments and debts owed to the Federal Government must be paid off or verify a 12 month history of timely payment
- Federal and state tax liens do not necessarily have to be paid off or being paid, but considered in overall credit history

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212




Consumer Credit Counseling

- If a veteran entered prior to delinquencies occurring, it is looked at from a neutral standpoint
- If entered after delinquencies occurred, need at least 12 months timely payment history, and approval from the credit counselor


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213




Chapter 13 Bankruptcy

- A veteran needs a 12 month history of timely payments in bankruptcy plan
- Bankruptcy court must acknowledge purchase or cash out refinance




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214




Chapter 7 Bankruptcy

- If caused by controllable events (i.e. divorce, excessive use of credit, etc.), generally speaking the veteran must wait 24 months from date of discharge
- Veteran must have re-established 12 months of positive consumer credit activity



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215




Chapter 7 Bankruptcy

- If bankruptcy was due to circumstances beyond the control of the borrower, the veteran must wait 12 months from date of discharge to apply
 - * Medical
 - * Loss of employment
 - * Catastrophic event


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216




Foreclosure or Deed In Lieu of Foreclosure

- Generally 2 years from date of foreclosure, unless event was caused by circumstances beyond the veteran's control
- A minimum of 12 months regardless of circumstances
- If a VA liquidation, veteran may not have sufficient entitlement for new VA loan
- Previous loss to VA would have to be repaid to restore full entitlement



VA Home Loans

217




Short Sales

VA Central Office guidance on short sales:

- VA calls these "Compromise Sales"
- If delinquency occurred and ultimately resulted in short sale, typical 2 year waiting period would apply
- If short sale was processed while loan was still current, and overall credit is favorable with no resulting deficiency from short sale, no waiting period is required
- If it was a VA short sale, entitlement could be reduced


VA Home Loans

218




Divorce

- You may disregard obligations and delinquent payments made after debts were assigned to the other individual by a divorce court
- Separation agreements not acceptable
- Must have signed divorce decree (stamped signature okay) by a judge that substantiates obligations, assets, alimony and child support



VA Home Loans



219




Automated Underwriting Systems (AUS)

VA has approved the following Automated Underwriting Systems:

- Freddie Mac's Loan Prospector
- Fannie Mae's Desktop Underwriter
- Countrywide/Bank of America CLUES
- Chase Manhattan's ZIPPY


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220



AUS Issues

- Data integrity is imperative – greatest issue noted in VA audits is unsubstantiated income amounts
- Unsubstantiated data input to obtain "Accept" classification can be deemed fraud or misrepresentation
- Lenders must provide all documentation required by VA and AUS Feedback Certificate
- Must provide a complete copy of feedback certificate and documentation requirement certificate
- Significant number of "egregious" loans identified due to unsubstantiated data entered into AUS

VA Home Loans
221



VA Form 26-6393, Loan Analysis

- Mandatory document except for IRRRL's
- Underwriter must completely fill out VA Form 26-6393, Loan Analysis and sign/date document
- Loan Analysis must be completed even for Automated Underwriting Cases

VA Home Loans
222

[illegible]


SECTION E - MONTHLY INCOME AND DEDUCTIONS				
		HOUSE	BOARDER	TOTAL
31	GROSS SALARY OR EARNINGS FROM EMPLOYMENT			
32	FEDERAL INCOME TAX			
33	STATE INCOME TAX			
34	DEDUCTIONS (RETIREMENT OR SOCIAL SECURITY OTHER (SINGLE))			
35	TOTAL DEDUCTIONS			
36	NET TAKE-HOME PAY			
37	RENTION, COMPENSATION OR OTHER NET INCOME (SINGLE)			
38	TOTAL (SUM OF LINES 31 AND 36)			
39	LESS THOSE CALCULATIONS LISTED IN SECTION 9 WHICH SHOULD BE DEDUCTED FROM INCOME			
40	TOTAL NET EFFECTIVE INCOME			
41	LESS ESTIMATED MONTHLY SHELTER EXPENSE (LINE 20)			
42	BALANCE AVAILABLE FOR FAMILY SUPPORT			
43	RATIO (SUM OF LINES 16, 17, 18, 20, 21 AND 42) DIV BY (SUM OF LINES 21 AND 38)			
44	IF RATIO (SINGLE) IS LESS THAN 0.25, THEN "SINGLE" IN CATEGORY 1; IF RATIO (SINGLE) IS GREATER THAN 0.25, THEN "HOUSE" OR "BOARDER" (SINGLE)			
45	IF RATIO (SINGLE) IS GREATER THAN 0.25, THEN "HOUSE" OR "BOARDER" (SINGLE)			

SECTION F - DISPOSITION OF APPLICATION AND UNDERWRITER CERTIFICATION			
FILE NUMBER	FILE DISPOSITION DATE	FILE DISPOSITION TYPE	FILE

☐ Reassess and the application is returned under 5 months of underwriting of Chapter 17, Title 1, c. 5. Cost and assistance in Reproductive and Infertility.
☐ Reassess and the application is Reassess and the application is returned under 5 months of underwriting of Chapter 17, Title 1, c. 5. Cost and assistance in Reproductive and Infertility.
☐ The application is returned under 5 months of underwriting of Chapter 17, Title 1, c. 5. Cost and assistance in Reproductive and Infertility.
☐ The application is returned under 5 months of underwriting of Chapter 17, Title 1, c. 5. Cost and assistance in Reproductive and Infertility.

FILE NUMBER	FILE DISPOSITION DATE	FILE DISPOSITION TYPE	FILE

Debt To Income Ratio Calculation



PITI + Special Assessments + HOA Fees + Monthly
Revolving/Installment Debt + Child Support/Alimony

Divided By:


Total Gross Income + Other Net Income

=

Debt To Income Ratio

VA Home Loans


225



VA's Underwriting Guidelines - General Rules

- VA general rule is that the loan should not exceed a 41% debt to income ratio
- AUS ACCEPT classifications may result in higher debt to income ratio approvals
- Loan should meet VA's residual income guideline based on tables provided in the VA Lenders Handbook
- All members of household should be considered for family size
- Underwriter should use \$.14 per square foot for maintenance and utility calculation


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226



VA's Underwriting Guidelines - General Rules

- Underwriter must consider job related expenses or extraordinary commute to employment on high ratio cases
- Deduction for taxes should be based on IRS Circular E and appropriate state tax tables, unless actual paystubs are used
- CAIVRS clearance authorization should be noted on VA Form 26-6393, Loan Analysis
- You can only "gross up" for debt ratio purposes only. Gross up amount can be equal to borrower's tax bracket.

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227




Debt Ratios That Exceed 41%

A ratio of 41% may be exceeded if:

- * residual income guideline is exceeded by 20%, or
- * underwriter's supervisor provides a statement justifying approval if 20% residual guideline is not met

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228



Residual Income Calculation

Net Take Home Pay + Other Net Income

Minus


PITI + Special Assessments + HOA Fees + Monthly
Maintenance and Utility Factor + Monthly
Revolving/Installment Debt + Child Support/Alimony

=

Balance Available For Family Support (Residual Income)

VA Home Loans

229




Residual Income Guideline

- VA has specific residual income guideline tables located in VA Pamphlet 26-7, Lenders Handbook, Chapter 4
- Tables are based on loan amount, geographic locations, and family size
- A lender may exclude a family member from family size if they can prove they are self supporting
- **Residual income and debt ratio should be used as a guide, and not the sole determining factor for approval or denial**

VA Home Loans

230




Residual Income Tables

Table of Residual Incomes by Region For loan amounts of \$79,999 and below				
Family Size	Northeast	Midwest	South	West
1	\$390	\$382	\$382	\$425
2	\$654	\$641	\$641	\$713
3	\$788	\$772	\$772	\$859
4	\$888	\$868	\$868	\$967
5	\$921	\$902	\$902	\$1,004
over 5	Add \$75 for each additional member up to a family of seven.			

VA Home Loans

231




Residual Income Tables

Table of Residual Incomes by Region For loan amounts of \$80,000 and above				
Family Size	Northeast	Midwest	South	West
1	\$450	\$441	\$441	\$491
2	\$755	\$738	\$738	\$823
3	\$909	\$889	\$889	\$990
4	\$1,025	\$1,003	\$1,003	\$1,117
5	\$1062	\$1,039	\$1,039	\$1,158
over 5	Add \$80 for each additional member up to a family of seven			

VA Home Loans

232



Compensating Factors

Compensating factors can be used as reason for loan approval if debt to income guidelines are not met. Some of these include:

- Excellent long term credit
- Conservative use of consumer credit
- Minimal consumer debt
- Long term employment
- Significant assets or down payment
- High residual income

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233



Compensating Factors

Compensating factors can not be used to overcome unsatisfactory credit.



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234

Closing Costs and Guaranty



VA Home Loans

235



Itemized Closing Costs

**The most common error VA
finds in its audit process is
overcharged or unallowable
Closing costs charged to
veterans**

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236




Allowable Closing Costs

- VA allowable appraisal cost and any required compliance inspections
- Credit report fee
- Recording fees and taxes
- Pre-pays to set up tax and insurance escrows
- Surveys and plot plans
- Title exams, title policies, title insurance
- Environmental protection endorsements
- VA funding fees
- Discount points
- MERS fee
- Interthinx DISSCO Fraud Report
- Express mail fees (refinances only)




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237




Unallowable Closing Costs

- Lender's appraisals or inspections
- Closing or settlement fees
- Termite inspection (except on a cash-out refinance)
- Document preparation fees to any individual
- Underwriting fees
- Broker fees
- Attorney services other than for title work
- E-mail, copying, telephone or fax fees
- Application fees
- Processing fees
- Assignment fees
- Photos
- Others...




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238




1% Origination Charge

- VA allows a 1% origination fee to be charged on every VA loan
- If 1% is charged, the veteran can not be charged any of the unallowable closing costs
- If 1% is not charged, the veteran can be charged for "unallowable" items up to 1% of the loan amount



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239




Items That Can Never Be Charged To A Veteran

- **Termite Inspection (except for VA cash-out refinances)**
- **Realtor fees or commissions**
- **Attorney fees other than for performing title work**
- **Mortgage broker fees or commissions**
- **Prepayment penalties**

VA Home Loans

240



Allowable and Unallowable VA Closing Costs


VA Cleveland provides a list of allowable and unallowable closing costs. It is important to note that this list is not all inclusive. It can be found at:

http://www.vba.va.gov/ro/cleveland/steps_to_va_loan.htm

VA Home Loans

241





VA Seller Concession Rule

- A seller concession is anything of value added to the transaction by the builder or seller for which the buyer pays nothing additional, and which is not considered customary
- VA's Seller Concession rule is not the same as that directed by HUD
- The maximum seller concession for VA loans is **4%** of the established reasonable value
- The 4% only limits seller contribution toward the items in the following slide

VA Home Loans

243



Items Limited By VA Seller Concession Rule

VA's Seller Concession rule only limits payment of the following amounts to 4% of the value:

- Payment of the veteran's VA funding fee
- Prepayment of the veteran's taxes and/or insurance
- Gifts such as TV's or appliances
- Payment of extra points that is beyond what current market conditions dictate
- Provision of escrowed funds to provide temporary interest rate buy-downs
- Payoff of credit balances or judgments on behalf of the buyer

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244



Seller Contributions Toward Closing Costs

In addition to the 4% seller concessions, sellers/lenders can assist with:

- Payment of VA allowable closing costs above 4% seller concession amounts (appraisal, credit report, recording fees and taxes, title work, origination fee, etc.)
- Payment of points as appropriate to the market

VA Home Loans

245

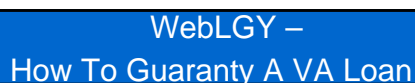


Guaranty

- For VA purposes, the lender's "Insurance" is called a "Guaranty"
- The lender must submit loan for guaranty within 60 days of closing
- If over 60 days from closing, the lender must certify that the loan is current and provide explanation for late submission

VA Home Loans

246



- A Veterans Information Portal based application where lenders input loans for guaranty in WebLGY
- Must be a LAPP lender
- WebLGY requires funding fee receipt to be generated in FFPS and that all data entered is correct
- WebLGY requires the NOV to be issued through WebLGY as well

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247



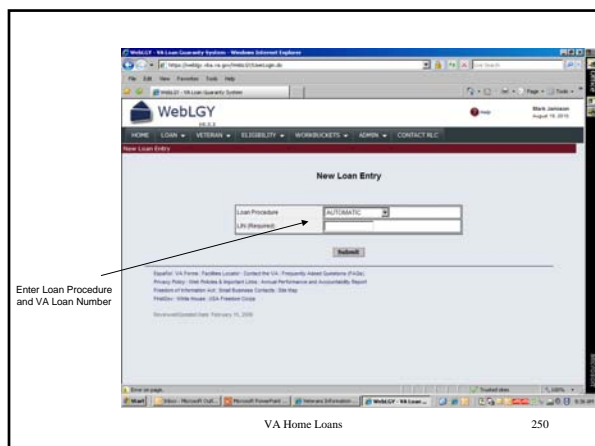
VA Home Loans

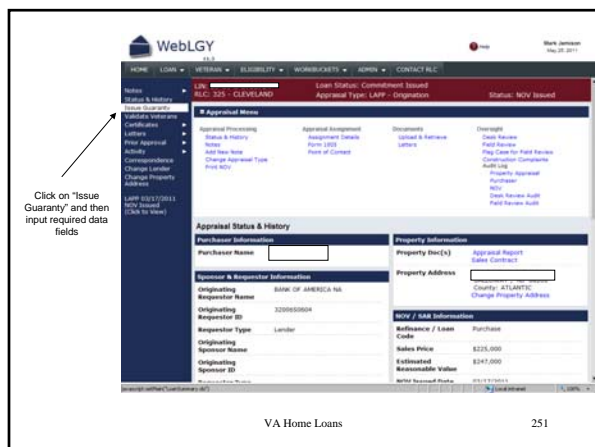
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249





VA Audit Process

VA performs 4 different types of quality reviews on guaranteed cases:

- A full review of 10% of all guaranteed loans
- An underwriting review of all Early Default Cases that go into default within the first 6 payments due under the note
- Special reviews on cases over the 41% debt ratio and not 20% over the residual guideline
- Post audit verifications on 5% of all guaranteed loans

VA Home Loans 252



Purpose Of VA Audit Process

- 99% of all VA loans are closed by automatic lender without VA ever seeing the loan
- Reviews are done to determine lender compliance with program
- Reviews are done to provide feedback to lenders for training purposes
- Reviews are done to determine if fraud or misrepresentation exists in closing of loan

VA Home Loans

253



VA Audit Findings

- Audit file submissions should follow the requirements in Chapter 5 (purchases) and Chapter 6 (IRRRL's/cashouts) of the VA Lenders Handbook
- Unallowable charges to the veteran
- Missing or incomplete documentation
- Repairs from NOV not certified as completed
- Unsubstantiated income or income stability not established
- Missing explanations for derogatory credit



VA Home Loans

254




VA Audit Findings

- Lender's certifications, underwriter's certifications or occupancy certifications missing
- We don't need several copies of loan file
- Missing AUS documentation
- Missing Escape Clause on Purchase Contract
- Cash back to veterans when the amount given exceeds what the veteran paid into the transaction
- Funding fee charged on exempt veterans (VA Form 26-8937 submitted after closing)
- Using active duty income for veterans with an ETS date that is less than 12 months

VA Home Loans

255

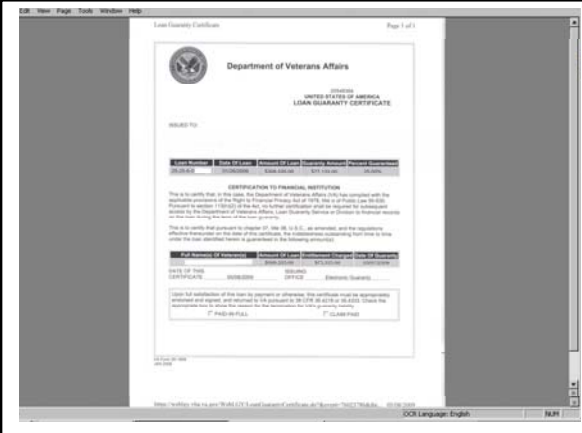


Loan Guaranty Certificate


The final document that lenders need to sell the VA loan to the secondary market is the Loan Guaranty Certificate.

- Issued by VA
- or
- Issued through WebLGY after lender inputs guaranty data


VA Home Loans
256



Special Circumstances




VA Home Loans
258




Power Of Attorney

A veteran who is unable to sign closing documents can close on a VA loan with a Power of Attorney:

- Specific POA: states specific transactions that POA can perform
- General POA: gives general POA to various types of transactions (cannot be used if veteran has not signed URLA and Purchase Contract)



VA Home Loans 259




Power Of Attorney

To complete a VA home loan transaction using an Attorney-in-Fact:

- The mortgage must be legally enforced in that jurisdiction
- Clear title can be conveyed in the event of a liquidation
- Veteran must consent to specifics in the transaction
- Power of Attorney rules apply to any loan when the veteran cannot sign documents in person

VA Home Loans 260




Power Of Attorney

If veteran has not signed the URLA and Purchase contract, The specific Power of Attorney must contain language related to:

- Entitlement – how much entitlement will be used
- Purpose – intent of the loan (new construction, cashout, IRRRL, etc.)
- Property identification – address, legal description
- Price and terms – sales price, concessions, etc.
- Occupancy – must clearly state the veteran's intent to occupy property to meet requirements of Title 38 USC

VA Home Loans 261




Alive and Not Missing In Action Certification

If a veteran is using a Power of Attorney, the lender must obtain an “Alive and Not Missing In Action” Certification. This can be achieved by:

- Written or verbal notification via e-mail, fax or telephone from veteran or commanding officer on the day of closing
- Documented proof from lender of their efforts to obtain such a certification (who, what, where)


VA Home Loans
262



Final Thoughts

- VA does not perform pre-qualifying analysis for any loan application
- It's your money to lend. VA cannot compel a lender to lend its money
- Second level denial reviews from automatic lenders must be accompanied by a letter from underwriter explaining reasons they believe loan could be approved and a statement that lender will fund VA loan with a VA loan commitment
- VA does not allow veterans to walk into the office with an underwriting package

VA Home Loans
263



A Special Class Of Citizen

- Our veterans deserve every benefit they earned. You are an integral entity in making those benefits available.
- On behalf of the Cleveland Regional Loan Center, we want to thank you for your time today learning the VA home loan program

VA Home Loans
264
